

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

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WELLS FARGO BANK, N.A.

Plaintiff,

-against-

HUO X. CHEN a/k/a XUE QING CHEN
And RONG GUANG CHEN,

Defendants.
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: Civil Action No.: 23-cv-1837

:

: Judge:

:

: **COMPLAINT**

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Plaintiff, Wells Fargo Bank, N.A. (“Wells Fargo”), by and through its attorneys, Fox Rothschild LLP, and pursuant to 28 U.S.C. §§ 1335 and 2361, brings this action against defendants, Huo X. Chen a/k/a Xue Qing Chen (“Wire Originator”) and Rong Guang Chen (“Wire Beneficiary”) (collectively, the “Claimant Defendants”), and in support thereof, states and alleges as follows:

NATURE OF ACTION

1. This interpleader action arises out of a dispute between the Claimant Defendants concerning a wire transfer totaling \$70,000.00.

2. The Claimant Defendants are alleging entitlement to and/or are refusing to release the wire proceeds presently being held and restrained in Wire Beneficiary’s account at Wells Fargo.

3. Accordingly, Wells Fargo, as a disinterested stakeholder, seeks to interplead the disputed, restrained funds into the Court Registry to allow the Claimant Defendants to litigate their respective claims to the restrained funds amongst themselves.

PARTIES

4. Wells Fargo is a national banking association with its main office, as set forth in its Articles of Association, in Sioux Falls, South Dakota. Accordingly, Wells Fargo is a citizen of South Dakota.

5. Upon information and belief, Wire Originator is a citizen of New York.

6. Upon information and belief, Wire Beneficiary is a citizen of New York. The current address listed for Wire Beneficiary on its restrained account at Wells Fargo is in Brooklyn, New York.

JURISDICTION AND VENUE

7. Wells Fargo brings this interpleader action pursuant to 28 U.S.C. §§ 1335 and 2361, because there is diversity of citizenship between Wells Fargo and the Claimant Defendants, and the amount in controversy in this action exceeds \$500.00, exclusive of interest and costs.

8. Venue is appropriate in the Eastern District of New York pursuant to 28 U.S.C. §1391(b)(2) because a substantial portion of the facts giving rise to the cause of action set forth in this Complaint occurred in this District. More specifically, the funds at issue were wired to a Wells Fargo bank account with a customer who resides in this District.

9. Venue is also appropriate in the Eastern District of New York, and this Court has jurisdiction over the parties, pursuant to 28 U.S.C. § 1335 and 2361, which grants district courts authority to issue nationwide service of process in statutory interpleader actions, and because at least one of the Claimant Defendants is a citizen of and resides in the state of New York.

FACTS

10. On or about April 19, 2022, Wire Originator wired \$70,000.00 (the “Wire”) to Wire Beneficiary’s Wells Fargo Everyday Checking Account (Account No. XXXXXX6386; the “Beneficiary Account”).

11. On or about April 20, 2022, Wire Beneficiary made a withdrawal from the Beneficiary Account of \$200.00 and another of \$300.00.

12. On or about April 22, 2022, Wire Originator requested that the Wire be recalled based on alleged fraud.

13. Immediately following the Wire recall request, Wells Fargo restrained \$69,485.00 in the Beneficiary Account (the “Restrained Proceeds”).

14. Wire Beneficiary has refused to authorize Wells Fargo to return the Restrained Proceeds to Wire Originator.

15. Accordingly, there is now a dispute as to which of the Claimant Defendants are entitled to the Restrained Proceeds.

16. Wells Fargo now seeks to interplead the Restrained Proceeds into the Court Registry to allow the Claimant Defendants to make their respective legal claims to the Restrained Proceeds.

17. At all times material, the relationship between Wells Fargo and Wire Beneficiary relative to the Beneficiary Account was/is governed by the Wells Fargo Deposit Account Agreement, effective October 15, 2021, a true and correct copy of which is attached hereto as **Exhibit A**.

18. Wells Fargo has retained the undersigned attorneys to represent it in this action and has agreed to pay them a reasonable fee.

19. Wells Fargo is entitled to recover its reasonable attorney's fees and costs in this action pursuant to the Account Agreement and applicable law.

20. All conditions precedent to recovery have been performed, waived or have occurred.

CAUSE OF ACTION

INTERPLEADER

21. Wells Fargo repeats, realleges and incorporates all of the allegations made in the foregoing paragraphs of this Complaint as if fully set forth herein.

22. At this time, there exist rival, adverse and conflicting claims between the Claimant Defendants as to the Restrained Proceeds.

23. Wells Fargo claims no interest in the Restrained Proceeds and has done nothing to create the dispute over entitlement to the Restrained Proceeds.

24. By reason of the conflicting claims to the Restrained Proceeds, Wells Fargo is in doubt as to who is entitled to the Restrained Proceeds, is in danger of being exposed to double or multiple liability, and cannot safely remit the Restrained Proceeds without the aid of this Court.

25. Wells Fargo is ready, willing, and able to deposit the Restrained Proceeds into the Court Registry, or to any other custodian or trustee the Court deems proper.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, Wells Fargo Bank, N.A. respectfully requests the following relief:

A. That this Court take jurisdiction over the parties, and permit Wells Fargo to deposit the Restrained Proceeds with the Registry of the Court;

B. That this Court issue an order requiring the Claimant Defendants interplead as to their rights and settle or litigate amongst themselves their claims and rights to the Restrained Proceeds;

C. That Wells Fargo be discharged from all liability to any of the parties to this action concerning Wells Fargo's obligations related to the Restrained Proceeds, the Wire, and the Beneficiary Account;

D. That the Claimant Defendants be enjoined and prohibited from instituting any actions against Wells Fargo and/or its agents, affiliates, employees, and servants, regarding the Restrained Proceeds, the Wire, and the Beneficiary Account;

E. That Wells Fargo, pursuant to the Account Agreement and applicable law, be awarded its costs and reasonable attorneys' fees, to be paid from the Restrained Proceeds, for bringing this action;

F. That Wells Fargo be dismissed as a party to this action; and,

G. For such other and further relief as this Court deems just, equitable, and proper.

Dated: New York, New York
March 9, 2023

Respectfully submitted,

FOX ROTHSCHILD LLP

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